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May 4, 2006

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COMMISSION
OFFICE OF GENERAL
COUNSEL

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Mark Allen, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Matter Under Review # 5645
America's Foundation

Dear Mr. Allen:

As you know, we represent America's Foundation in the above captioned matter. As you also know, this Matter Under Review also involves fundraising activities involving the Santorum 2000 committee and the Santorum 2006 committee, which were and are federal candidate committees supporting the re-election of Senator Rick Santorum. It is my understanding that these two candidate committees have retained counsel and thus the issues addressed in this letter are exclusive to America's Foundation and should not be read to reflect positions that may be taken by the two candidate committees.

As indicated above, this response will be limited to the fundraising activities of America's Foundation. In the letter of March 15, 2006 and the attached Factual and Legal Analysis in MUR # 5645, it would appear that the Federal Election Commission's (the "Commission") interest in the fundraising activities of America's Foundation surrounds a specific fundraising event which benefited America's Foundation and which was held on May 17, 2002 at the Country Club of Hershey, located in Hershey, Pennsylvania.

By way of background, the Commission should understand that America's Foundation has a very active fundraising schedule and conducts the majority of its fundraising activities at events, some of which are hosted and administered by third parties and some of which are administered by professional fundraising entities who contract with America's Foundation to perform such activities. In the instance of the May 17, 2002 activity referenced in MUR # 5645, it appears that the Commission has learned that a Mr. Bruce Hironimus played a singular role in conducting this specific event. According to the Factual and Legal Analysis in this MUR, the Commission asserts that Mr. Hironimus "organized" the May 17, 2002 event at the Country Club of Hershey and that Mr. Hironimus notified Senator Santorum's staff on February 12, 2002 of his role in "organizing" the event that was to be held on May 17, 2006. It further appears that Mr. Hironimus was assisted in "organizing" this event by a Megan Martin, who, it appears, was an employee of an entity called Greenlee Partners, LLC. The Factual and Legal Analysis further indicates that Mr. Hironimus arranged with his employer, Highmark, Inc., to pay the Country Club of Hershey for the expenses associated with his "organization" of the May 17, 2002 event, an amount said by the Commission to total some \$14,604.45. We have no independent knowledge of the amount of expense incurred for the event on May 17, 2002, since we were not provided such invoices by the organizer following the event. The Commission also asserts,

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correctly, that America's Foundation did not disclose receipt of this amount as an "in-kind" contribution from a third party, nor did America's Foundation reimburse any third party for the amount asserted as being the cost of holding the May 17, 2002 event. The Factual and Legal Analysis goes on to reveal that "Bruce Hironimus and Megan Martin informed the Commission that they never discussed the costs of the fundraiser events with Nadine Maenza or anyone else at the Santorum committees."

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Conclusion: America's Foundation agrees with the Commission's assertion that a fundraising event was held on its behalf on May 17, 2002 at the Country Club of Hershey in Hershey, Pennsylvania. Further, America's Foundation agrees with the Commission's Factual and Legal Analysis in MUR # 5645 that Mr. Bruce Hironimus informed Senator Santorum's staff, on February 12, 2002, that he was individually responsible for "organizing" the event that would be held on May 17, 2002 at the Country Club of Hershey. Further, America's Foundation agrees with the Commission's Factual and Legal Analysis that neither Bruce Hironimus nor Megan Martin "ever discussed the costs of the fundraiser events with Nadine Maenza or any one else at the Santorum committees."

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The costs associated with holding the event at the Country Club of Hershey on May 17, 2002 were not reflected in the contribution and disbursement reports submitted to the Commission because no one at America's Foundation or, apparently, any of the other committees associate with Senator Santorum, was informed by any third party, including Bruce Hironimus or Megan Martin, what those costs were and how and by whom those costs were being paid to the Country Club of Hershey. Like any other federal political committee, America's Foundation is often approached by individuals who express a desire to raise funds on the committee's behalf. Like any other federal political committee, America's Foundation uses its best efforts to ascertain that such individuals are both competent and sufficiently knowledgeable about the statutory and regulatory framework used by the Commission to raise contributions in a legal manner. In this instance, Bruce Hironimus, a senior executive with a publicly-regulated company, who served that company as its Vice President for Government Affairs, volunteered to raise funds on behalf of America's Foundation. At the time he volunteered his services, he was considered by America's Foundation to have the requisite background and experience that was sufficient to meets its threshold tests of competence, sophistication, and knowledge of the Commission's regulatory scheme. In short, America's Foundation reasonably relied upon Mr. Hironimus' background and experience as a corporate Vice President for Government Affairs to entrust him with the responsibility of administering the proposed May 17, 2002 event, insuring that its costs were paid, either by himself, as an "in-kind" contribution, or by America's Foundation directly, upon his presentation to the Foundation of invoices that accurately reflected such costs.

Unfortunately, for all concerned, neither Mr. Hironimus nor Ms. Martin fulfilled these obligations. In failing to carry out their duties, these individual's betrayed the trust placed in them by the Foundation. Additionally, if Mr. Hironimus further violated the Federal Election Campaign Act and the Regulations promulgated by the Commission by not only failing to notify the Foundation of the expenses he incurred in organizing the May 17, 2002 event, but also, as is set forth in the Commission's Factual and Legal Analysis, by directing his employer to reimburse him for the expenses he incurred in holding this event, Mr. Hironimus made such arrangements with his employer without informing the Foundation of such an arrangement. Had the Foundation known that Mr. Hironimus was even contemplating such an arrangement with his employer, the Foundation would have directed its counsel to object in the strongest possible terms.

Mr. Hironimus volunteered to host and organize an event for the Foundation on My 17, 2002. At the time Mr. Hionimous approached the Foundation with this proposal, the Foundation had every reason to trust in his judgment and to expect that he would conduct himself in full compliance with applicable law. The Foundation reasonably relied upon Mr. Hiroimous to fully account for the expenses he incurred in organizing the May 17, 2002 event and to offset the expenses he incurred in one of the two ways that is consistent with the Statute. That he failed to do so is now clear.

America's Foundation does acknowledge that it had an obligation to follow-up with Mr. Hironimous, following the event of May 17, 2002, to ascertain the amount of the expenses he incurred and to determine how those expenses were to be borne. That such follow-up was not conducted is greatly regretted by the Foundation. The failure to follow-up should, however, be viewed in the following light. As a venue, the Country Club of Hershey has been used quite often for fundraising activities and, as a consequence, invoices from the Club are routinely sent to the various Santorum-related committees that use the Club's facilities. As such, a missing invoice from a particular event at the Country Club of Hershey apparently did not trigger any

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alarm at the Foundation. This, coupled with the fact that neither Mr. Hironymous nor Ms. Martin communicated with the Foundation following the event, quite obviously resulted in the Foundation's failure to timely account for and report these expenses. This internal administrative failure is unique to these specific facts and is not the norm for the Foundation.

We certainly regret that this internal administrative oversight occurred and pledge to the Commission that it will not reoccur. As a consequence, we would welcome an opportunity to enter into "pre-probable cause conciliation" with the Commission. Should you have any additional questions, do not hesitate to contact me directly at (202) 973-5959.

With best wishes,

Sincerely,



William B. Canfield
Counsel to
America's Foundation

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